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Industrial Horizons

MONTANA: FRONTIER OF INDUSTRIAL OPPORTUNITY

Vol. 4.—No. 1.

January, 1959

News Publication — Montana State Planning Board

New Research Project On Regional Economy

Approval of Ford Foundation aid has cleared the way for a four-year study of general economic conditions of the four-state "Upper Midwest" area of Montana, Minnesota and the Dakotas, according to J. Cameron Thomson, chairman of the Upper Midwest Research and Development Council of Minneapolis. Thomson is also chairman of the Northwest Bancorporation.

The study, to be conducted by the University of Minnesota and other research agencies, will involve \$350,000 of Foundation funds, \$200,000 in cash contributions raised by UMRDC and funds from the Committee for Economic Development (CED). It is expected that the study will also receive contributions of research service valued at \$100,000 for education and business institutions in the region.

Pilot Project

The Upper Midwest project is viewed as a pilot study by CED and the Ford

Foundation. No thorough study of a large American regional economic unit has yet been made. Completion of such a study will furnish the basic information needed for designing similar studies for other regions.

Two long-range economic problems of the region will be emphasized, according to Thomson—agriculture in transition and the economic potential of low-grade mineral resources.

New Jobs for Displaced Farmers

"The transition in farming implies a population shift. As farming adopts new methods, fewer and fewer people will be employed in agriculture. As they are released from farming, these people must be provided with new and profitable pursuits in this region, if they are not to be lost to other areas," Thomson commented.

UMRDC is the successor to the Resources Research Committee, which sev-

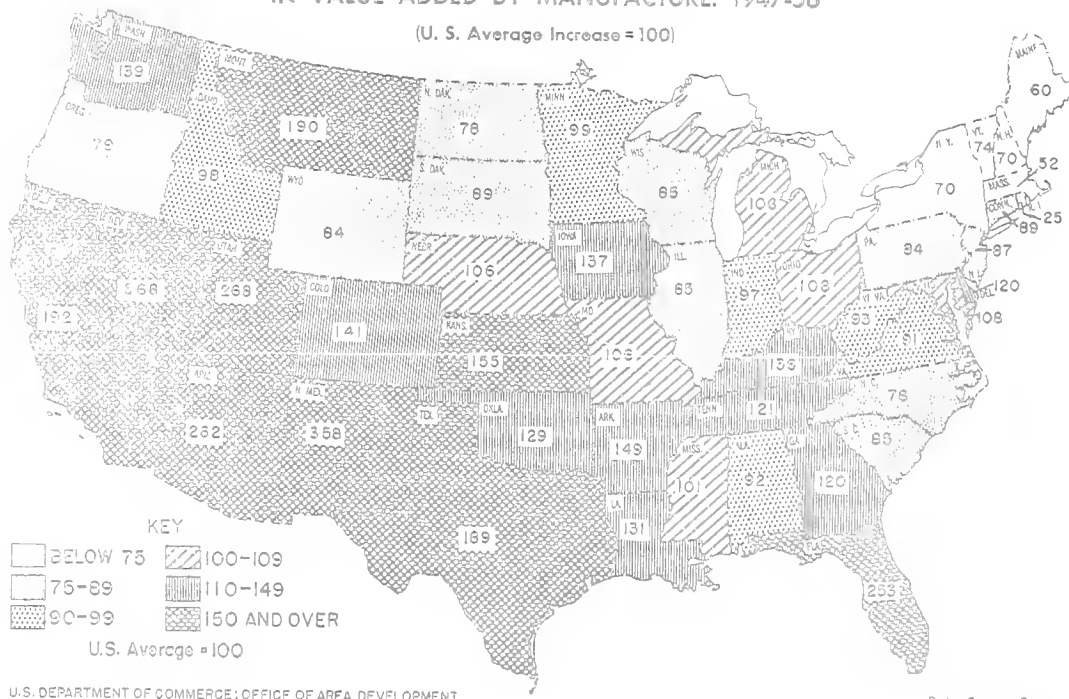
eral years ago financed a \$130,000 study of the mineral resources of the region, with emphasis on lignite in Montana and North Dakota. One result of this study is the new steam electric generating plant of Montana-Dakota Utilities Co. at Sidney, which uses Montana lignite (see INDUSTRIAL HORIZONS, September, 1956). Montana members of UMRDC include J. F. Corette of the Montana Power Co., and A. G. Martin, president of the Montana Chamber of Commerce.

Gov. Aronson Comments

Commenting on the new research project, Gov. J. Hugo Aronson said, "One of the keys needed to unlock the treasure chest that is Montana is sound research. In view of this, I am hopeful that the program of the UMRDC will help Montana open new vistas of development. Such research will be of great assistance to the Montana State Planning Board, which was reactivated under my administration."

INDEX OF STATE INCREASES IN VALUE ADDED BY MANUFACTURE: 1947-56

(U. S. Average Increase = 100)



That Montana's growth in manufacturing is above that of surrounding states is shown in the map above. With a few exceptions, the growth is comparable to that of the fastest growing states in the country. Much of this growth can be traced to two industries: the growth of lumbering in the past few years, and the location of the Anaconda Aluminum Co., reduction plant at Columbia Falls in 1955.

NOTE: Since the 1947 Census of Manufactures did not include "logging camps and contractors" and "plants processing and distributing fluid milk," while the 1956 Survey of Manufactures did, the map above slightly overstates Montana's growth in relation to that of other states. When the estimated Value Added by Manufacture for logging in 1947 (\$4,293,000) is included, Montana's index of growth becomes 177, rather than 190.

In addition, the figures in the map above are not the same as those given in last month's INDUSTRIAL HORIZONS ("Manufacturing State's No. 2 Industry"). This is because those figures were stated as percentage of growth, not as an index relative to the growth of the country as a whole.

American Chrome Co. Begins Ferrochrome Pilot Operation

The first complete ferrochrome industry based on domestic ore ever established in the United States soon may be in operation in southern Stillwater County, if pilot operations of the American Chrome Co., are successful at Nye.

At a location 45 miles south of Columbus, in the Beartooth Mountains, the company has built an electro-reduction plant which is testing the suitability of domestic chrome concentrate for American markets.

Steel Hardener

Ferrochrome is used with steel to make high-strength, extra-hard alloys and stainless steel. Nearly all is now imported from Turkey, Pakistan, Rhodesia, South Africa and the Philippines. American industry used 1,760,469 tons of chromium in 1957. American Chrome wants to break into this market.

The company has a running start toward its objective. Since August 1, 1953, it has been mining chromite ore (averaging 21 per cent chromic oxide) at the rate of nearly 1,000 tons daily six days a week. The ore is concentrated at the company's mill near the mine to 38 per cent chromic oxide, and stored on a Federal government stockpile.

Wartime Development

The chrome deposit, largest in the United States, was first mined during World War II under Government contract by the Anaconda Company. The operation was begun when it appeared that sea lanes to South Africa would be menaced by Axis submarines. Over \$20 million was invested in the mine and mill by the Government during the war. The project was abandoned in 1944, after 29,500 tons had been produced, when African concentrate could be safely transported to America.

American Chrome, a subsidiary of Goldfield Consolidated Mines Co., of San Francisco, was organized in 1950 to mine the deposit. In 1952, a contract was negotiated with Defense Materials Procurement Agency whereby American Chrome would lease the mine and mill, and produce 900,000 tons of chromite concentrate (38 per cent or more chromic oxide) to be stockpiled by December 31, 1961. About 600,000 tons of the total contract have now been produced.

The operation employs 217 men, with a high per capita wage. Employees live at the mine and mill sites.

Montana Ferrochrome

At the end of 1961, the contractual expiration date, the government will be "compelled" to ask: "What then? Can American Chrome continue mining the millions of tons of domestic chromite in the deposit?"

Partly dependent on the outcome of operations of the ferrochrome pilot plant at Nye, the answer, explain John H. Bley, president and general manager of American Chrome, "Ferrochrome production here will contain 60 per cent chromium. Montana ferrochrome, however, is 90 per cent chromium. A 30 per cent increase in the total in-

COLUMBUS CONTINUES TO GROW

"The Columbus Success Story" is a continuing effort. Not content with getting one new industry into town, the citizens of Columbus are expanding their organized industrial development program.

The story is related in the December-January issue of "The Kiwanis Magazine," national publication of Kiwanis International, in an article titled "Columbus Discovers Itself."

Members of the Columbus Kiwanis Club made the initial move in the industrial development program, according to Lafayette Smith, author of the article.



A view of a laminated beam produced by Timberweld Mfg. Co., the industry sponsored by the community of Columbus. The beam has a 50-ft. span, and is loaded and ready to be transported to jobsite.

dustry is using this grade of ferrochrome, and that the long-term trend is toward the use of lower chromium content ferrochrome and toward utilization of the iron naturally associated with chromium. Other advantages of domestic ferrochrome are lower price per pound of chromium content of phosphorus and sulphur."

The new reduction plant is now turning out five tons daily of ferrochrome, but output is soon to be increased to 15 tons daily. The purpose of the pilot operation, according to Bley, is to adjust reduction processes, train personnel and give the company a chance to develop sales procedures.

Large Electric Furnace

The new reduction plant consists of a mix building, in which chromite concentrate is stored, weighed and mixed with other materials; and also an electric furnace in which the material is reduced to ferrochrome (53 per cent chrome, 33 per cent iron, 6-8 per cent carbon and 3-6 per cent silica). Materials used, in addition to chrome concentrate from the mill, include metallurgical coal, coke, wood chips, limestone, silica and electricity. Power is supplied to a 3,500-kva electric furnace by the Montana Power Co. Investment in the new plant approaches \$200,000.

If the pilot operation is successful, Montana will have a permanent new industry—company officials estimate up to 275 persons may be employed. In addition, another of the Treasure State's many minerals will be utilized for the benefit of the nation's economy.

Formed Corporation, Bought Building

Members of the club, Smith relates, stayed after luncheon meeting one noon in September of 1956, to discuss the impending sale of an old warehouse building near the Northern Pacific tracks (see also article in INDUSTRIAL HORIZONS, October, 1956). "Why don't we buy the building and use it to attract new industry?" asked Gene Davey, president of the club, a local automobile dealer. This was the initial move in formation of Columbus Enterprises, Inc., a local industrial development corporation. Within a few hours \$10,000 had been pledged, and the building was purchased from the Government in Seattle for \$26,000 by the corporation.

It is important to remember that the people of Columbus purchased this building with no definite assurance that an industry would move in to use it. All they had was a faith in the future of Columbus.

Timberweld Founded

Finding an industry took several months. Finally, a successful application came from two men who spent their winters building laminated beams used in barn construction, in Broadview, 55 miles away. The 15 members of Columbus Enterprises purchased \$50,000 worth of stock in the new corporation set up to manufacture laminated beams, Timberweld Manufacturing, Inc. Approximately 75 other Columbus citizens accounted for \$50,000 more.

This faith in the future of their community was well-founded—Timberweld stock soon began to pay dividends, and has been doing so ever since.

The company now numbers customers all over the country, and 1958's production was double the sales of 1957. At present, 30 men and women are employed, with an annual payroll of \$100,000. Ken Davenport is general manager.

Higher Per Capita Wages

Graphic evidence of the impact of industrial development by Timberweld and the American Chrome operation at Nye (see accompanying article) on the economy of Stillwater County is found in that county's wage averages the past seven years, according to figures of the Montana State Employment Service. In fiscal 1952, Stillwater, with a covered wage average of \$2,400, was 22nd in average yearly earnings compared to other Montana counties. At the close of fiscal 1958, Stillwater County occupied the number two position with an average of \$4,516, nearly double the 1952 figure.

Industrial Sites

But Columbus is not content with this success. At a recent meeting of the City Council, three Kiwanians suggested that a strip of land one mile long by 300 feet wide along the railroad tracks be set aside for potential industries. This suggestion was unanimously adopted by the Council.

As Smith puts it, "Columbus, as usual, was looking ahead."

Smelter Is Key to City of Anaconda's Economy

By Robert W. Curry
Manager, Anaconda Chamber of Commerce

ED. NOTE—This is the third of a series of articles on the economies of various communities in Montana. The articles are written by local industrial development people.

Anaconda, a community of 16,000 people, is a prime producer of copper, zinc, manganese and fertilizer.

The city comprises 70 per cent of the population of Deer Lodge County, one of the smallest in area in the state, but with a total county population of 22,000. The Anaconda Company, with its combined operations, provides employment at a high stable wage for 4,000 employees with a monthly payroll of \$1.5 million. The Butte, Anaconda, and Pacific Railway is the second largest employer with 560 employees.

Two state institutions are located in Deer Lodge County—the Montana State Tuberculosis Sanitarium at Galen, and the Montana State Hospital at Warm Springs. These provide employment for 224 and 479, respectively. These employees, with their families, account for 1,400 of the county population. Total employment in Deer Lodge County numbers 6,564 with 5,395 male and 1,169 female employees. Due to the non-seasonal nature of metals

processing, seasonal layoffs are non-existent. This condition enables Anaconda to maintain one of the lowest unemployment indexes in the state.

The Anaconda Company Reduction Works, world's largest smelter, with its present-day valuation of \$24 million, was first established in Anaconda in 1883 by Marcus Daly, one of the world's foremost "Copper Kings." The location of Anaconda near the mouth of Warm Springs creek, with its abundant water supply, was a primary reason, along with favorable terrain and timber, for establishment of the smelter in Anaconda rather than in Butte. Presently the smelter uses 85 million gallons of water in each 24-hour period, 20 million gallons of which may be reused. Along with this, 20 million cubic feet of natural gas

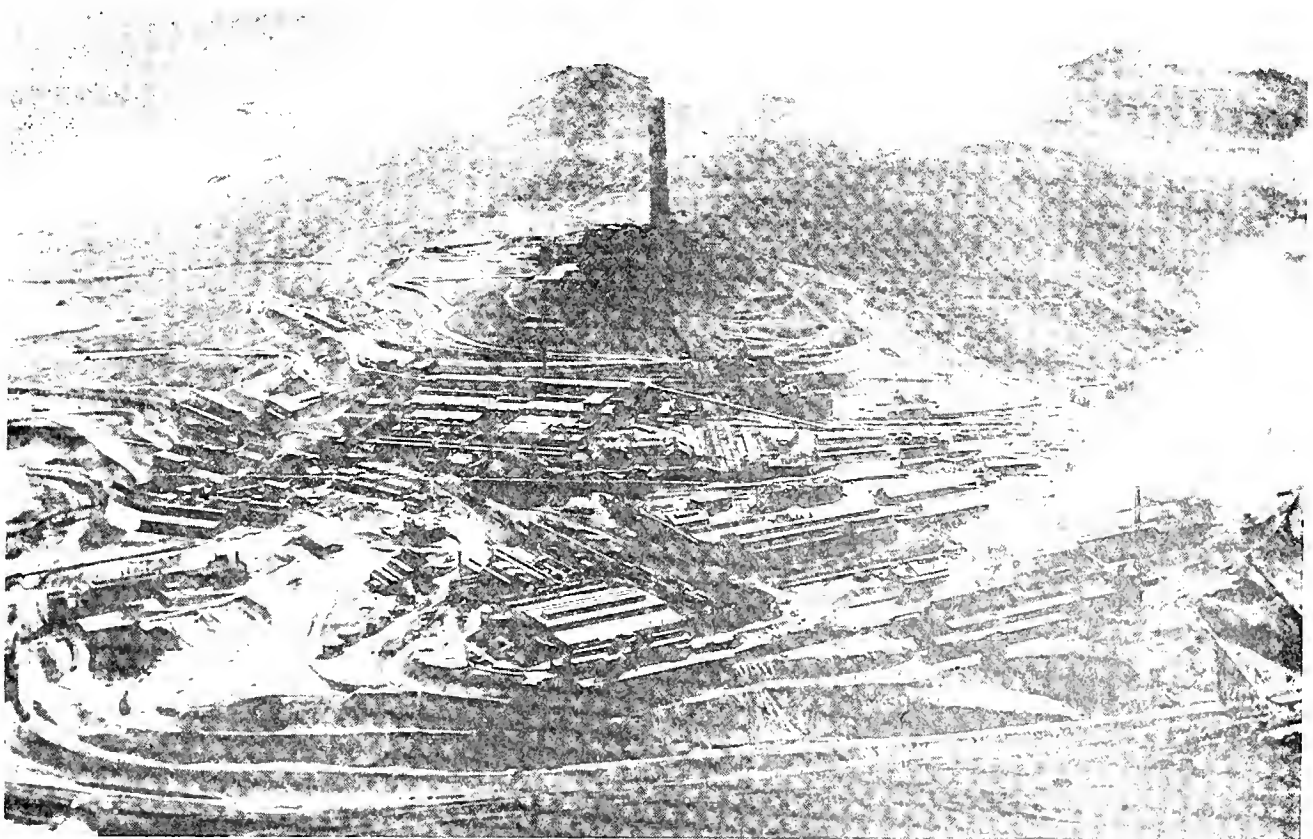
are consumed daily. Each day the Reduction Department handles 37,500 tons of copper ore, 4,000 tons of zinc ore, and 1,600 tons of manganese ore.

Anaconda's copper production of 144,000 tons per year accounts for 4.25 per cent of the total world's production. Zinc production averages 42,000 tons, and manganese production 43,000 tons annually.

The Butte, Anaconda and Pacific Railroad, which is often referred to as the "Biggest Little Railroad in the World," is primarily concerned with transporting the metal-bearing ore mined in nearby Butte to the Anaconda smelter. With its 1,200 pieces of rolling equipment and 560 employees, the B. A. & P. completes eight round trips daily with 43,000 tons of ore transported each 24-hour period.

Anaconda's claim to being a workingman's town is evidenced by the classification of employees: 53 per cent of the

(Continued on page four)



The Anaconda Company reduction works at Anaconda, Montana, processes copper, zinc and manganese ores from the company's Montana operations at Butte, as well as copper precipitates from Nevada and phosphate rock from the company's open pit phosphate mine at Conda, Idaho. The smelter is one of the largest of its kind in the world. The famous smokestack is the world's largest. A recent addition to the plant is a \$1.5 million ammonium phosphate fertilizer plant.

SMELTER IS KEY TO CITY

(Continued from page 3)

labor force is engaged in manufacturing; 16.3 per cent in service establishments, including State medical and health facilities; 11.3 per cent in transportation, communications and utilities; 11.1 per cent in wholesale and retail trade; 5.4 per cent in government, including schools; 1.5 per cent in construction and 1.1 per cent in finance, real estate and insurance.

Good Living

Many factors are involved in those communities which qualify as "good places to live"—location, economic stability, educational, housing, and medical facilities. Anaconda's qualifications along these lines meet the most exacting demands and provide a way of life that leaves little to be desired. Outdoor recreation is highly popular due to excellent facilities. Swimming, boating, fishing, hiking, camping, skiing and hunting, are only a few of the activities in this headquarter of Southwestern Montana's magieland.

Anaconda's schools are modern and progressive, offering a well-rounded educational program through high school. Two new grade schools are presently under construction to meet increased needs.

Anaconda's 19 churches, representing almost all denominations, lend not only a religious significance to the city, but also add to its architectural beauty.

New housing subdivisions provide Anaconda with modern, attractive quality homes in all price ranges.

Industrial Development

In April of 1958, the Deer Lodge County Industrial Development Corporation was chartered after intensive study revealed a need for increased activity in the industrial development field. This non-profit corporation has acquired 15 acres of industrial land to further industrial development in the area. Robert J. Boyd, Industrial Development Corporation President, states that the Deer Lodge County Industrial Development Corporation is ready and anxious to assist any person or industry seeking plant facilities in this area and is in a position to provide and develop industrial sites at a minimum of cost.

The recession of 1958 led to a program of increased mechanization and automation at the Anaconda Reduction Works. These and other cost-reduction measures have made the community of Anaconda substantially more stable, and in the words of W. A. Emanuel, Reduction Works manager, "Anaconda is in a safer position now than it has been for years." The remarkable success in these cost-reduction programs is evidenced by increased production with lower total costs than before, resulting in substantially reduced unit cost.

New Fertilizer Plant

Early this fall a new \$1.8 million ammonium phosphate plant was put into production by the Anaconda Company to produce mixed fertilizers. A goal of

100,000 tons per year has been set, of which one-half will be "Ammono Phos," and the other half a complete chemical fertilizer to which potash has been added. Production is presently 80 per cent of capacity with 100 per cent capacity expected early in 1959.

Anaconda's future is linked closely with the reduction of metals from ore. A study of the city from 1883 to the present reflects that its growth has been closely tied to the slow, cautious and steady development of Anaconda Company operations.

With economic stability assured, Anacondans look back on history with a feeling of pride in their accomplishments and to the future with confidence and determination.

PULP MILL BY-PRODUCT SOLD

The complex interrelations of modern industry—and the indirect benefits of new industry—are shown well by a byproduct of the Waldorf Paper Products Company pulp mill at Missoula called tall oil.

Tall oil is a byproduct of the kraft paper industry, and until November of 1958, it was produced only by Southern pulp mills. It is a valuable product, utilized in the flotation process of ore concentration and in the preparation of certain drilling muds for the oil industry. One large market within Montana is the use of tall oil as an asphalt emulsifier and asphalt for highway construction is a major byproduct of the state's six oil refineries. Waldorf produces six tons of tall oil per day at its Missoula plant. Sales are being handled by Van Waters and Rogers, Inc., Seattle chemical manufacturers.

Thus it goes. One industry's by-products are used by other industry—a few more jobs are provided, and we are producing here another product.

FEDERAL CITY PLANNING GRANT FOR MISSOULA, BOZEMAN APPROVED

Approval of Montana's second federal Urban Planning Assistance grant was announced on January 17 jointly by the state's Congressional delegation and by Housing and Home Finance Agency. This makes a total of \$16,290 in federal city planning grants secured for Montana communities through the State Planning Board.

The new \$8,940 federal grant will be used to prepare a master plan for the Missoula City-County Planning Board, and to extend the Bozeman project approved under a previous federal grant (see INDUSTRIAL HORIZONS, June, 1957).

The Missoula project is expected to be completed in 18 months. The Missoula Board is to contribute \$6,550 in cash and \$300 in services to the project. The State Planning Board will contribute \$170 in services, and HHFA matches these State and local funds with \$7,320, making a total project budget of \$14,640.

The Missoula Board is now in the process of selecting a planning consultant to do the master plan.

Bozeman Planning Continuing

The Bozeman grant is to continue the implementation phase of the master plan prepared under the previous grant of \$7,350 approved in August of 1957. Local funds of \$1,350 are to be contributed, and the State Planning Board will contribute \$270 in services. The HHFA grant is for \$1,620, making a total project budget of \$3,240.

The State Planning Board administers this program of federal city planning grants for Montana communities under 25,000 population (1950 census). Montana's three cities over 25,000 population—Billings, Butte and Great Falls—have submitted direct applications to HHFA for grants totaling \$22,761. Approval of these applications is expected momentarily. These three cities were allowed to apply for this federal aid through passage of the Urban Planning law by the 1957 legislature.

FARMERS NEED ZONING

"A farmer we know who lives outside Springfield, Ill., got the jolt of his life the other day. The land across from his house was sold as a site for garbage-feeding of hogs—a business so smelly and fly-infested that it had been booted out of town.

"What can our friend do? Not very much.

"He had hoped that, as the city grew, he could sell off part of his farm—a sort of nest-egg for retirement. But he knows now that no subdivider would buy within a mile of such a plant.

"The whole community is with him. They've hired a lawyer to fight the case, but there's no assurance of winning. Now they're rushing to prepare zoning ordinances to stop such things, but for our friend, it all comes too late.

"We're too late all across America. Dump grounds, auto graveyards and two-bit joints of all kinds have settled like a blackening frost along our country roads. Highways are choked with the traffic of drive-in theaters, honky-tonks and taverns. Trailer camps which pay relatively little taxes add more children to schools already crowded.

"No one argues that there's anything wrong with the trailer occupants, nor that their children shouldn't be educated at public expense, but many farmers feel the trailer people are not paying their fair share of general taxes.

"Not more than one county in 15 has laws to protect farmers from roadside ruin. All too often, farmers themselves have opposed such laws. As a result, rural areas have what amounts to a welcome mat out for the problems."

—Farm Journal, Dec. 1958, p. 31

Better Lumber Conditions Expected In 1959

Improvement in the nation's general economic situation in 1959 is expected to stimulate the demand for lumber, according to the Forest Products Division of the U. S. Chamber of Commerce.

New Houses Biggest Factor

The most significant single factor which could influence the lumber industry favorably in 1959 is the prospect that residential construction will be sustained at a level of 1.2 million or more units, according to the Division.

The pallet industry, which consumed about 3.6 per cent of the total lumber output in 1957, is anticipating an increase in production in 1959. The furniture industry also is expecting a better year in 1959. Highway construction will require about 468 million board feet of lumber, or 10 per cent more than in 1958. Lumber consumption by the railroads may slightly exceed that of 1958, although any deterioration in the financial position of the railroads could result in less lumber consumption. Railway ties equivalent to 880 million board feet may be laid in 1959, compared to 745 million feet in 1958.

Continued increase in the use of waste wood in such products as particle board and pulp chips will provide an additional source of revenue to the lumber industry, according to the Department report. This is especially true in Montana, where the state's one pulp mill, that of Waldorf Paper Products Co., in Missoula, had a tremendous permanent impact on the basic economy in 1958 (see INDUSTRIAL HORIZONS, April, 1958).

Several Adverse Factors

However, several factors may affect the total lumber industry adversely in 1959. Rising cost of production, and strong competition from metals, plastics, paper and other materials are among the principal factors. The lumber industry has launched a multi-million dollar campaign to promote wood consumption and to offset competition from other materials.

Based on a private nation-wide survey of 400 lumber firms, the Department expects an increase of about 3.5 per cent in production over 1958, 6.6 per cent in gross sales, and 3.8 per cent in lumber consumption. Employment, nation-wide, should remain about the same as in 1958, costs should increase about four per cent, and net profits after taxes may increase five per cent. The industry is expected to spend about the same amount it did in 1958 for new plants and equipment.

"Tight credit" was identified as the economic factor likely to have the greatest adverse effect on the lumber industry, according to the survey. Other factors were increased competition from other products, taxes, general business uncertainty, inflation, government regulations and international developments.

DESPITE RECESSION, NATIONAL FOREST CUT AT HIGH LEVEL

Timber cut from the National Forests of the Northern Region (Montana, Northern Idaho, Eastern Washington) during the fiscal year which ended June 30, 1958, reached an unexpectedly high total of 773 million board feet, according to Regional Forester Chas. L. Tebbe.

"This total is 33 percent of the maximum that could have been achieved under timber sales contracts in existence, had the market stayed as brisk as it was in 1955," Mr. Tebbe said. "The total is within 15 percent of the amount cut in the fiscal year immediately preceding."

Lumbering Downturn

Considering the downturn in the lumber market which began in 1956 and the distance from national markets, the forest products industries of the region are credited with doing an energetic job of production and marketing to maintain this relatively high level of production in the year just ended.

The region was well on its way to achieving the full allowable cut in the forests west of the Continental Divide in fiscal year 1958. The rate of selling and contract letting gave early promise of achieving that goal. New sales of timber lagged during the first three quarters of the fiscal year but rose to a peak during the last quarter (Spring, 1958). As a result of the upturn toward the end of the fiscal year, the total timber sold in the 12-month period was 901 million feet, which is 33 percent more than was sold in the preceding year. It is planned to sell about one billion board feet in fiscal 1959.

Few Mills Closed

A surprisingly small number of mills were closed for any length of time during the period of poor lumber market in this region. In the last several months the tempo of production has increased and many mills have operated with two shifts, which gives promise of a good year for the region's industry. While many mills in the region have had to operate on smaller margins, it is a real credit to the timber industry and of immense benefit to dependent communities that production has been maintained at such a high level. Since National Forest timber is priced closely to the trend in the lumber market, stumpage income has diminished markedly. Even though this reduction adversely affects income to the counties from their 25 percent share of receipts from national forest stumpage, it is clear that the reductions helped enable the industry to keep operating at this favorable level.

The allowable cut of sawtimber from the national forest west of the Continental Divide is 888 million feet, with an additional 325 million feet of smaller material, primarily from mature lodgepole stands. The cut during the fiscal year was 732 million board feet, while new sales totaled 866 million.

Importance of Pulp Mills

The number of sawmills is approaching and, in places, is above the permanent number that can be sustained with national forest timber. If the market for

MONTANA IS GROWING, SAYS MONTANA CHAMBER OF COMMERCE EXECUTIVE

Montana is growing, according to the annual article on Montana's economy written by Bill Browning, Executive Vice President of the Montana Chamber of Commerce, for "Pacific Factory" magazine.

"Montana can proclaim some pretty hefty gains recently," Browning writes, "despite spotty troubles of the recession atmosphere of the past year. Looking at it broadly, the Treasure State has never been in a better position of development."

Citing population and employment growth in the past few years, as well as steady growth of non-agricultural activity all over the state, Browning is optimistic of the state's future.

"So the picture does look rosy despite declines in activity in a number of key state industries, notably metal mining and processing and lumber and wood products," Browning continued. "A bottoming out has appeared in these segments, however, and new plants and expansion attest to a healthy future. Reports from various localities of Montana continue to show increased development activities, and new plant expansion. From east to west, Montana is stirring like a sleeping giant, awakening to the treasure of enormous value for future development."

"Yes, Montana is experiencing dynamic progress," Browning concludes his annual survey. "With the treasures she holds, the state does face a bright immediate future."

City planning will be the theme of the annual meeting of the International Conference of Building Officials, Southern Montana-Wyoming Chapter, in Billings, February 5-6. Adequate building codes, housing standards, and code enforcement are among the most important factors in good city planning. Without good codes, slums will develop, and planning will be useless.

smaller material improves, there will be additional opportunities for increased industry primarily, but not solely, in the field of fiber production. (e.g., pulp mills).

East of the Continental Divide the allowable cut is 24 million feet, primarily of material under the size traditionally regarded as sawlogs. The cut last year was 41 MM million board feet compared to 49 MM million board feet, the average of the three preceding years. Timber sales are to be offered during the coming year in the lodgepole forests of central and eastern Montana totaling approximately 100 million feet. There is considerable opportunity for increased industrial use of the remaining lodgepole allowable cut, but it is probable that the marketing of it will have to wait for increased demand for lumber for pulp and paper products. Some additional opportunities, no doubt, will develop for the increased use of lodgepole for lumber production as a supplement to its use in the pulp industry, the Regional Forester concluded.

Organized Industrial Development Essential

Why is an organized industrial development effort necessary? This is a question often asked of the State Planning Board.

The question was discussed recently by Charles T. Hamman, Assistant Director of Economics Research for Stanford Research Institute, in a speech titled, "The Concept of Regional Development" at the British Columbia Natural Resources Conference in Victoria, February 22, 1957.

"Clearly, development activity cannot create a full-blown industrial economy where neither resources, markets nor labor supply exist," Hamman said. "Furthermore, sound activity of this kind would not seek to do so even if it could. One criterion of sound development is that it be economic."

However, organized activity has been successful, he continued, in the following tasks:

- 1. Speeding a natural development by eliminating economic roadblocks.
- 2. Putting emphasis in its program which, if based on sound study, will seek the right kinds of industry.
- 3. Insuring that communities develop along sound lines and have the attributes which new industry seeks.
- 4. Disseminating information which will lead to sound, factually-based decisions.
- 5. Preventing mistakes in location or development which, because of their uneconomic nature, may prove costly both to industry and the community.
- 6. Planning and anticipating development needs in advance.
- 7. Sponsoring research and evolving a framework of the future within which all can make their plans. In this fashion, regional planning can provide badly needed coordination of all the diverse elements operative within the region.

Cooperation By All

"These are but a few specific things the regional concept can achieve. However, they indicate the kind of development activity that has been found to pay off. It is important to note that no one agency can accomplish all of these things. The regional concept requires the full cooperation of government, industry, research, education and the other functional elements of the economy."

New Industry: The Sure Vent Corp., manufacturers of a device to eliminate bathroom odors, will begin operation at Choteau in the near future. Irwin Moon, vice president, has announced. Harold Mitten of Drummond is president and Everett Sassi, Choteau, secretary-treasurer. Great Falls Tribune.

BRIEFS . . .

Further decline in the country's farm population is shown by recent U. S. Bureau of Census figures. Only 20,827,000 persons were living on farms in April 1958—a decline of 16.9 per cent from the farm population in April, 1950. Of this decline, a majority occurred between 1950 and 1954. In 1910, about one in three persons lived on a farm; by 1958, only one in eight was a farm resident. Changes in farm technology and increased opportunities in other fields of employment have facilitated this movement from the farm.

The U. S. Agricultural Marketing Service in Helena estimates the number of farms in Montana declined by 7.8 per cent from 1950 to 1958—from 37,200 to 34,300.

Theme of the annual meeting of the Missouri Basin Research and Development Council held in Bismarck, N. D., October 15-17, was "The Need for an Integrated Research Program in the Basin." Representing Montana were David K. Hartley of the State Planning Board and Dr. Nicholas Helburn of Montana State College. Hartley gave a paper on research needed by state economic development agencies in the ten-state Missouri Basin. Members of the Council include state agencies concerned with new industries, colleges and universities doing economic research, employment security offices, utilities, federal agencies and private research institutions. The 1960 meeting will be held in the latter part of August somewhere in Montana, preferably in a city within the Missouri Basin with convenient air service.

All 49 states will soon have official state industrial development agencies, such as the Montana State Planning Board, according to news reports. Before this year, all but Texas and California had such agencies. Texas voters in November approved authorization to spend State funds to advertise the state's industrial potential. One of the chief campaign promises of newly-elected Gov. Edmund G. Brown of California was to establish a State Department of Economic Development. Alaska has had an Alaska Resource Development Board for several years. Budgets range from a low of \$36,000 a year in Montana, to a high of \$12 million in Pennsylvania.

Interesting Publications . . .

Dr. R. R. Renne, **THE GOVERNMENT AND ADMINISTRATION OF MONTANA** (New York: Thomas Y. Crowell Co., 1958; 508 pp; \$7.75). Book written as college text and for general reader on problems of government in Montana. Emphasizes taxation and importance of coordinated planning and development program. Should be read by all Montanans.

S. L. Groff, **A SUMMARY REPORT ON THE GROUND-WATER SITUATION IN MONTANA** (Butte: Montana Bureau of Mines and Geology, Montana School of Mines; Information Circular No. 26; 45 pp; free). This report was requested by a committee of the 1957 Legislature. It summarizes the extent of present knowledge regarding ground-water science. Recommendations pertaining to possible ground-water controls in Montana are summarized in the conclusions. Many persons tend to forget that underground water is often as important a factor in industrial location as surface water. Montana has adequate quantities of both, but they must be used in the most efficient manner possible.

MARKETING DEHYDRATED ALFALFA (Washington: U. S. Department of Agriculture, Agricultural Marketing Service; Marketing Research Report No. 254; July 1, 1958; 83 pp; 50c). "The dehydrated alfalfa industry has increased its volume of production more than 400 per cent since 1943. Production is seasonal, and in the last several years it has fluctuated from year to year. Alfalfa for processing is generally purchased by the ton, dry weight, and on a cutting-to-cutting basis. The price depends somewhat on the current market prices of baled hay. On the average, the crop from about 1,300 acres of alfalfa land was used by each dehydrated plant in 1954."

Dr. H. K. Shearer, ed., **THE MONTANA ALMANAC, 1959-1960** (Missoula: Montana State University; 392 pp; \$2.00). New revised edition of this popular work. Handy reference material on all phases of Montana life, including its economy.

MONTANA STATE PLANNING BOARD

Sam Mitchell Building

Helena, Montana

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Industrial Horizons . . .

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